Housing and Urban Affairs

KEY INDICATORS MONTHLY REPORT

VOLUME 1, ISSUE 4 OCTOBER 2008

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The report is completed by the Policy and Urban Affairs Division. The data for this report is collected through various sources such as the Canada Housing and Mortgage Corporation (CMHC), Statistics Canada, the Alberta Real Estate Association, the Calgary Real Estate Board, the Realtors Association of Edmonton, and various provincial government Departments.

For more information or obtaining hard copies of the Key Indicators Report, please contact Cynthia Evans, Director, Organizational Planning and Effectiveness, at 780-422-8306.

Next Step

Our goal is to continue to share important information on a monthly basis on the housing market trends.

OVERVIEW

Welcome to the Housing and Urban Affairs' (HUA) Key Indicators Report. This marks our fourth issue of the monthly report, launched in June 2008. The report covers the latest housing market trends.

Alberta's economic and population growth has resulted in pressures that are unique to urban centres, which is affecting the quality of life for Albertans. This growth has increased pressures on physical infrastructure and social services. Urban municipalities have new roles to meet future challenges such as urban social issues related to affordable housing and homelessness and ensuring their communities have capacity to remain sustainable into the future. The Ministry of Housing and Urban Affairs has an opportunity to provide leadership to respond to the unique needs in their communities.

Highlights

- The number of homeless in Calgary in 2008 has risen 18 percent in the past two years to slightly more than 4,000 people. The full report of the Biennial Count of Homeless Persons in Calgary: May 14, 2008 can be downloaded at **http://www.calgary.ca/docgallery/bu/cns/homelessness/2008_count_full_report.pdf**
- The latest count of homeless people in Edmonton took place on October 21, 2008. The count was conducted by 220 volunteers and is based on a street count and agencies providing emergency shelter. The full report will be available on November 25, 2008 at: **http://www.homewardtrust.ca/index.php**
- The count is conducted every two years. In 2006, the count for homeless people in Edmonton was 2,618, an increase of almost 20 percent over 2004 figures.

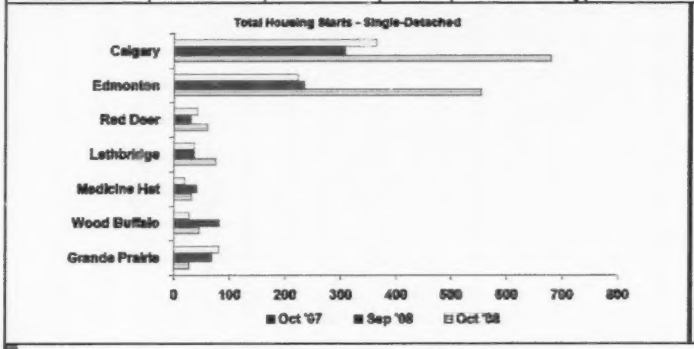
Key Indicators is now available for download from the ministry's internet site at: www.housing.alberta.ca

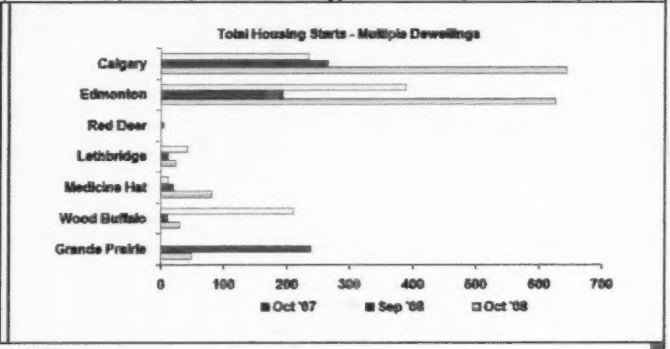
The Policy and Urban Affairs Division would like to thank everyone for their assistance and insight in the development of this report.

HOUSING MARKET TRENDS

HOUSING STARTS – Across Alberta, total housing starts in the seven largest urban centres declined by 43 percent, from 2,931 units in October 2007 to 1,682 units in 2008. Increased activity in Wood Buffalo and Grande Prairie was offset by lower production in Calgary, Edmonton, Lethbridge, Medicine Hat and Red Deer.

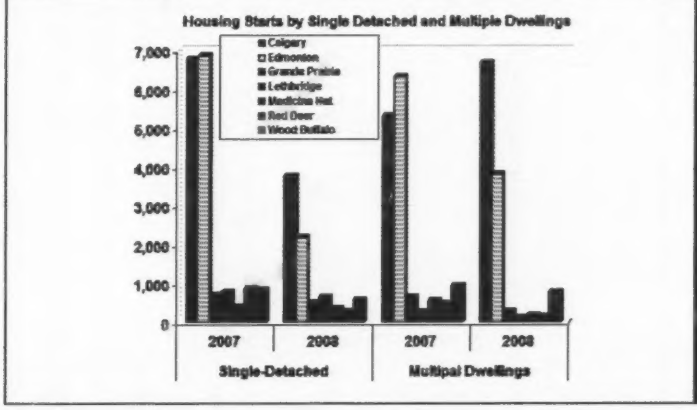
	October 2008				September 2008				October 2007		
Location	Single-Detached [1]	Multiple Dwellings [2]	*Total*	% Change Oct '07-Oct '08	Single-Detached [1]	Multiple Dwellings [2]	*Total*	% Change Sep '08-Oct '08	Single-Detached [1]	Multiple Dwellings [2]	*Total*
Calgary	365	234	*599*	-54.8	308	265	*573*	4.5	680	644	1,324
Edmonton	223	389	*612*	-48.2	235	193	*428*	43.0	554	627	1,181
Grande Prairie	80	0	*80*	5.3	69	238	*307*	-73.9	27	49	76
Lethbridge	36	42	*78*	-22.0	37	12	*49*	59.2	76	24	100
Medicine Hat	20	12	*32*	-71.7	41	20	*61*	-47.5	32	81	113
Red Deer	42	0	*42*	-31.1	30	4	*34*	23.5	61	0	61
Wood Buffalo	28	211	*239*	214.5	82	10	*92*	159.8	46	30	76

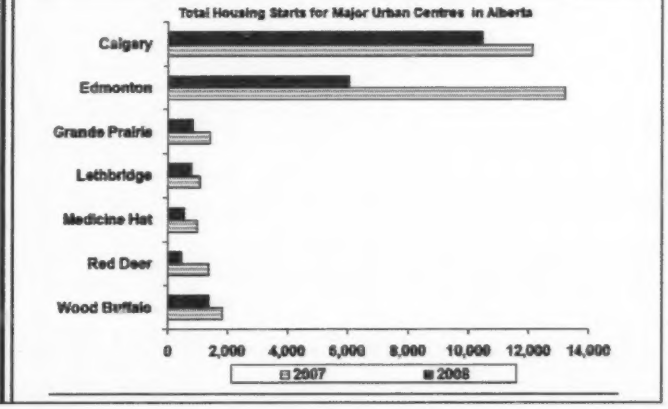




January to October 2008

	Single-Detached			Multiple Dwellings			Total		
	2008	2007	% Change	2008	2007	% Change	2008	2007	% Change
Calgary	3,766	6,794	-44.6	6,694	5,334	25.5	10,460	12,128	-13.8
Edmonton	2,195	6,871	-68.1	3,817	6,348	-39.9	6,012	13,219	-54.5
Grande Prairie	518	722	-28.3	292	664	-56.0	810	1,386	-41.6
Lethbridge	645	792	-18.6	131	261	-49.8	776	1,053	-26.3
Medicine Hat	359	403	-10.9	187	574	-67.4	546	977	-44.1
Red Deer	298	873	-65.9	170	485	-64.9	468	1,358	-65.5
Wood Buffalo	582	860	-32.3	789	947	-16.7	1,371	1,807	-24.1





[1] "**Single-Detached**" dwelling (also referred to as "Single") is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

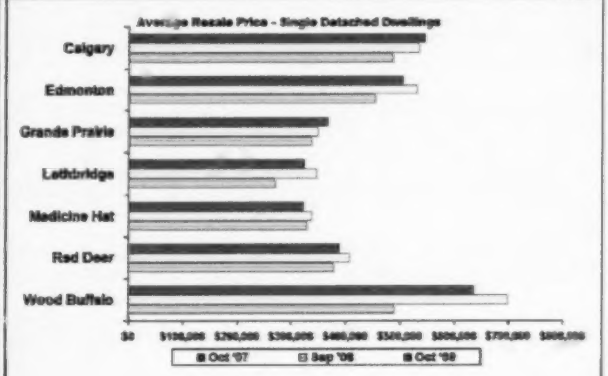
[2] The term "**Multiple** " dwelling includes all other types of dwellings, i.e., Semi-detached (also referred as semi) is one of two dwellings located side-by-side in a building with no other structure, Row (Townhouse), Apartment and other commonly known as stacked townhouses, duplexes, triplexes, double, duplexes and row duplexes.

Source: Housing Information Monthly – Canada Mortgage and Housing Corporation (CMHC)

RESALE MARKET – According to the Canada Mortgage and Housing Corporation, the resale housing market in Alberta was stable in October 2008, despite all the volatility in the stock market. Albertans looking to buy homes have the power to negotiate now because of a glut of resale home listings and a shrinking new home order sheet.

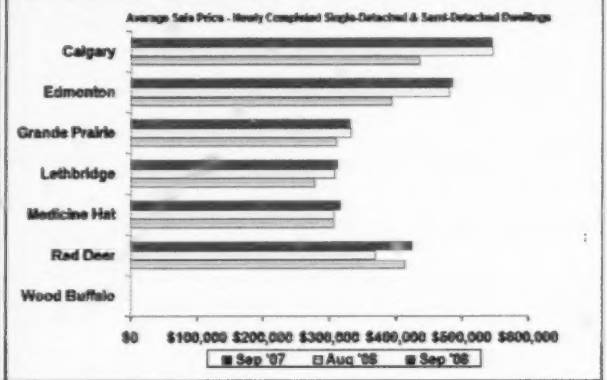
Average Resale Price – Single-Detached Dwellings

Location	October '08	September '08	% Change Sep '08-Oct '08	October '07	% Change Oct '07-Oct '08
Calgary	$544,745	$533,932	2.0	$486,612	11.9
Edmonton	$505,112	$531,261	-4.9	$454,756	11.1
Grande Prairie	$367,286	$346,794	5.9	$336,643	9.1
Lethbridge	$323,510	$345,997	-6.5	$269,395	20.1
Medicine Hat	$322,255	$336,951	-4.4	$327,591	-1.6
Red Deer	$389,288	$406,038	-4.1	$377,959	3.0
Wood Buffalo	$635,141	$698,011	-9.0	$489,312	29.8



Average Sale Price – Newly Completed Single-Detached & Semi-Detached Dwellings

Location	September '08	August '08	% Change Aug '08-Sep '08	September '07	% Change Sep '07-Sep '08
Calgary	$544,643	$545,093	-0.1	$435,872	25.0
Edmonton	$485,365	$481,115	0.9	$393,339	23.4
Grande Prairie	$330,759	$333,133	-0.7	$311,227	6.3
Lethbridge	$312,376	$308,578	1.2	$277,475	12.6
Medicine Hat	$316,579	$306,648	3.2	$306,574	3.3
Red Deer	$425,233	$368,803	15.3	$414,700	2.5
Wood Buffalo	N/A	N/A	N/A	N/A	N/A



Did You Know...

- The average house price listed on the Multiple Listing Services (MLS) in Alberta in October 2008 was $342,700, compared to $358,700 in October 2007, down 4.46 percent.
- The average residential price reported by the Fort McMurray Real Estate Board was the highest in the province, at $690,200 while the average price reported by the Brooks Real Estate Board was the lowest at $194,800.
- In Edmonton, the value of MLS residential sales in October 2008 was $396.8 million, an 11 percent decrease from residential MLS sales values in October 2007. There were 1,249 residential properties sold in Edmonton through the MLS in October 2008.
- In Calgary, the value of MLS residential sales in October 2008 was just over $564.5 million, a 32 percent decrease from last October. A total of 1,453 residential properties were sold in Calgary through the MLS system in October 2008.

TOTAL NUMBER OF HOMES ON THE MARKET

Number of Homes on the Market

Did You Know...

- In Calgary, the average number of days a listing on the market was 48 in October 2008 as compared to 40 days in October 2007.
- In Edmonton, the average number of days a listing on the market was 58 in September 2008 versus 44 days in October 2007.
- According to the Alberta Real Estate Association, there were 29,972 active residential listings in Alberta at the end of October 2008.
- The value of all real estate sales processed through the MLS systems in Alberta in October 2008 was $1.4 billion, a 21 percent decline from the total value of all MLS sales in October of 2007. This trend is mirrored in the value of MLS residential property sales, which declined 18 percent in October 2008, compared to the same month of last year.

Source: Housing Information Monthly – Canada Mortgage and Housing Corporation (CMHC)
Preliminary Housing Start Data – Canada Mortgage and Housing Corporation (CMHC)
Fan Qin, Market Research Assistant - Canada Mortgage and Housing Corporation (CMHC)
Alberta Real Estate Association

CALGARY HOUSING MARKET – According to the figures released by the Calgary Real Estate Board, Multiple Listing Service (MLS) sales activities slowed in Calgary during the month of October 2008, but continued to present excellent buying opportunities for real estate bargain hunters.

Average Resale Price – Single-Detached Dwellings							Average Resale Price – Condominium						
October '08	September '08	% Change Sep '08 to Oct '08	October '07	% Change Oct '07 to Oct '08	Average Days on the Market Oct '08	Month End Inventory Oct '08	October '08	September '08	% Change Sep '08 to Oct '08	October '07	% Change Oct '07 to Oct '08	Average Days on the Market Oct '08	Month End Inventory Oct '08
$449,100	$444,048	1.1	$452,254	-0.7	48	5,522	$289,148	$287,426	0.5	$331,617	-12.8	50	2,640

Edmonton RESALE HOUSING Market remained stable in uncertain times – Despite global economic uncertainty in other North American housing markets, the Edmonton housing market remained balanced. According to the Realtors Association of Edmonton, the October 2008 residential figures were lower than October 2007 but within the normal range for this time of year. The average price of a single family residence was also up slightly.

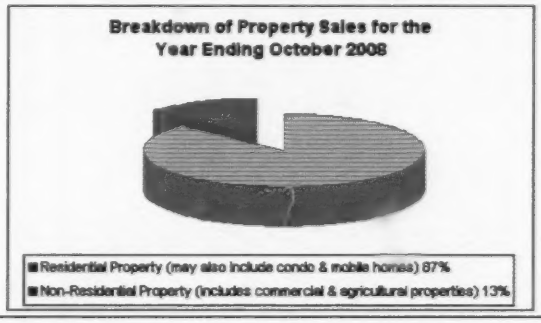
Average Resale Price – Single Family Dwellings (SFD)					Average Resale Price – Condominium						
October '08	September '08	% Change Sep '08 to Oct '08	October '07	% Change Oct '07 to Oct '08	October '08	September '08	% Change Sep '08 to Oct '08	October '07	% Change Oct '07 to Oct '08	Average Days on the Market Oct '08 (both SFD and Condo)	Month End Inventory Oct '08 (Includes SFD, Condo, Duplex, and Mobile homes)
$363,274	$362,097	0.3	$397,189	-8.5	$237,590	$252,234	-5.8	$267,964	-11.3	58	8,525

ACCORDING TO THE ALBERTA REAL ESTATE BOARD, a total of 49,911 residential units were sold province-wide from January to the end of October 2008. At the end of October 2008, there were 29,972 active MLS residential listings in Alberta.

Location	Average Residential Resale Price*				
	October '08	September '08	% Change Sep '08 – Oct '08	October '07	% Change Oct '08 – Oct '07
Calgary	$388,600	$390,600	-0.5	$411,500	-5.6
Edmonton	$317,700	$324,900	-2.2	$347,700	-8.6
Grande Prairie**	$294,500	$287,900	2.3	$278,200	5.9
Lethbridge	$249,500	$244,400	2.1	$237,900	4.9
Medicine Hat	$250,700	$244,000	2.7	$256,400	-2.2
Red Deer	$269,500	$280,100	-3.8	$272,100	-1.0
Wood Buffalo**	$690,200	$686,800	0.5	$625,000	10.4

Value of property sales

- The value of total property sales for the year ending October 2008 was $20,366,135,158 (down 21 percent from the same period last year).
- Residential properties represent 87 percent ($17,769,153,829) of total property sales for the year ending October 2008.


Breakdown of Property Sales for the Year Ending October 2008
Residential Property (may also include condo & mobile homes) 87%
Non-Residential Property (includes commercial & agricultural properties) 13%

* Residential includes single family dwellings, condo and mobile homes.
** This figure denotes single family average price.

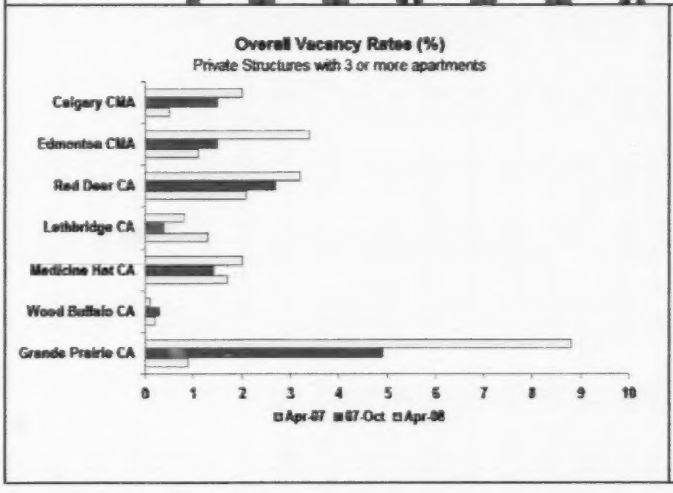
Source: Calgary Real Estate Board
The Realtors Association of Edmonton
Alberta Real Estate Association

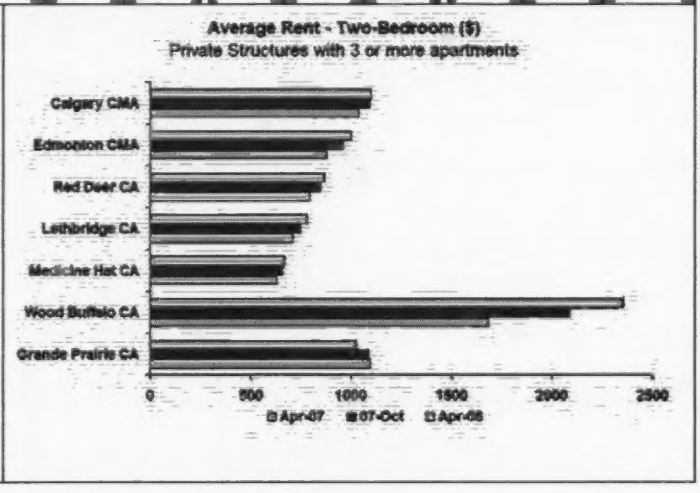
PRIVATE APARTMENT AVERAGE VACANCY RATES (%) BY BEDROOM TYPE

Centre	Bachelor			1 Bedroom			2 Bedroom			3 Bedroom+			Overall Vacancy Rates		
	Apr '08	Oct '07	Apr '07	Apr '08	Oct '07	Apr '07	Apr '08	Oct '07	Apr '07	Apr '08	Oct '07	Apr '07	Apr '08	Oct '07	Apr '07
Calgary	2.6	1.4	0.1	1.8	1.5	0.5	2.2	1.5	0.6	**	2.4	0.1	2.0	1.5	0.5
Edmonton	3.1	2.5	3.6	2.9	1.5	1.2	3.1	1.3	0.6	8.3	2.4	0.3	3.4	1.5	1.1
Grande Prairie	10.9	4.4	5.8	11.0	6.9	1.3	6.7	4.2	0.4	15.6	1.4	0.0	8.8	4.9	0.9
Lethbridge	0.0	0.0	2.7	1.8	0.3	1.9	0.4	0.4	0.9	0.0	0.0	0.0	0.8	0.4	1.3
Medicine Hat	0.0	0.0	0.0	1.6	1.3	2.2	2.1	1.6	1.2	3.5	0.9	5.2	2.0	1.4	1.7
Red Deer	5.3	3.4	2.5	3.0	2.9	2.0	3.2	2.6	2.0	2.9	0.7	5.4	3.2	2.7	2.1
Wood Buffalo	0.0	0.0	2.4	0.2	0.2	0.1	0.1	0.2	0.2	0.0	1.4	0.5	0.1	0.3	0.2
Alberta 10,000+	**3.1**	**2.2**	**2.9**	**2.6**	**1.6**	**1.0**	**2.7**	**1.5**	**0.7**	**6.1**	**2.1**	**0.5**	**2.9**	**1.6**	**0.9**

PRIVATE APARTMENT AVERAGE RENTAL RATES ($) BY BEDROOM TYPE

Centre	Bachelor			1 Bedroom			2 Bedroom			3 Bedroom+			Overall Rental Rates		
	Apr '08	Oct '07	Apr '07	Apr '08	Oct '07	Apr '07	Apr '08	Oct '07	Apr '07	Apr '08	Oct '07	Apr '07	Apr '08	Oct '07	Apr '07
Calgary	658	688	608	919	897	849	1,096	1,089	1,037	1,031	1,046	968	992	974	925
Edmonton	682	658	628	837	784	729	1,000	958	877	1,039	1,060	1,055	908	859	795
Grande Prairie	761	802	770	903	952	940	1,025	1,087	1,094	1,166	1,266	1,233	979	1,041	1,039
Lethbridge	514	495	487	690	632	620	783	750	708	827	827	781	740	706	672
Medicine Hat	523	515	484	560	556	531	670	659	630	766	744	709	634	625	596
Red Deer	570	569	550	723	706	665	866	845	792	1,013	1,028	906	798	786	734
Wood Buffalo	1,406	1,263	1,159	1,858	1,724	1,439	2,350	2,085	1,681	2,536	2,263	1,838	2,193	1,968	1,607
Alberta 10,000+	**673**	**666**	**622**	**873**	**831**	**774**	**1,049**	**1,011**	**932**	**1,072**	**1,096**	**1,034**	**953**	**913**	**847**





** Data suppressed

Source: Rental Market Survey – Canada Mortgage and Housing Corporation (CMHC)

IN-MIGRATION AND MIGRATION

Alberta's population grew by almost 23 percent between 1997 and 2007. Calgary led the economic regions in overall population growth. In the second quarter of 2008, Alberta gained 6,730 people (the largest gain in Canada) in interprovincial migration. Alberta's international migration also remained very strong with a net inflow of 6,340 international migrants choosing this province.

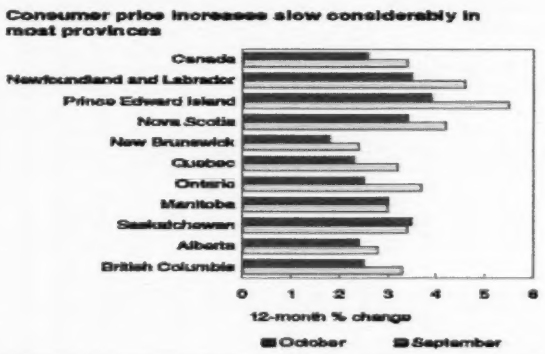
Net Migration			
	Net Interprovincial	Net International	Net Migration
Jan – Mar 2008	2,761*	4,306*	10,897*
Apr – June 2008	6,730	6,340	20,169

	Average Weekly Wages
July 2008	$864.42
August 2008	$871.85

*Statistics Canada revised historical figures.

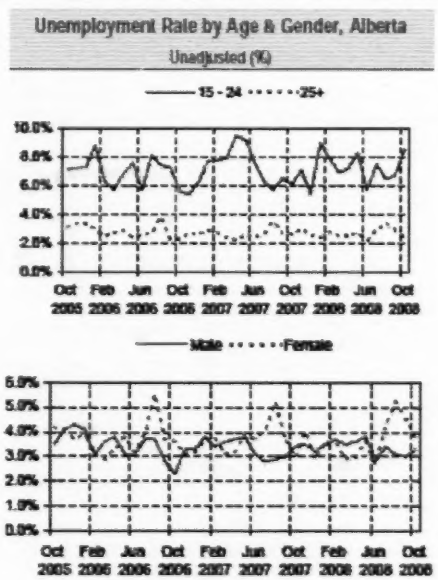
CONSUMER PRICE INCREASES SLOW CONSIDERABLY IN MOST PROVINCES –The slowdown in the 12-month price change for gasoline between September and October largely contributed to easing consumer prices in all provinces.

	Consumer Price Index (CPI)
September 2008	2.8%
October 2008	2.4%



Unemployment Rate (Alberta and Cities) Seasonally Adjusted, *3-Month Moving Averages*			
	Alberta	*Edmonton*	*Calgary*
October 2008	**3.7%**	**3.4%**	**3.8%**
September 2008	3.8%	3.5%	3.7%
October 2007	3.4%	4.2%	3.0%

Unemployment Rate (Regions) Unadjusted, *3-month Moving Averages*			
	October 2008	*September 2008*	October *2007*
Wood Buffalo – Cold Lake	**4.1%**	4.1%	4.4%
Athabasca – Grande Prairie	**4.7%**	5.1%	3.5%
Edmonton Region	**3.4%**	3.7%	4.1%
Red Deer Region	**4.3%**	4.6%	2.8%
Banff – Jasper Rocky Mountain House	**4.3%**	4.3%	n/a
Calgary Region	**3.9%**	3.8%	3.1%
Camrose – Drumheller	**2.6%**	2.6%	2.4%
Lethbridge – Medicine Hat	**3.1%**	3.0%	3.9%



Source: Statistics Canada
Alberta Finance and Enterprise
Alberta Employment and Immigration